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Robbins Geller Rudman & Dowd LLP

Robbins Geller Rudman & Dowd LLP Files Class Action Suit Against DXC Technology Company

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SAN DIEGO--(BUSINESS WIRE)--Robbins Geller Rudman & Dowd LLP (http://www.rgrdlaw.com/cases/dxctechnology/) today announced that a class action has been commenced by an institutional investor on behalf of purchasers of DXC Technology Company (NYSE:DXC) common stock during the period between February 8, 2018 and November 6, 2018 (the "Class Period"). This action was filed in the Eastern District of Virginia and is captioned *City of Warren Police and Fire Retirement System v. DXC Technology Company, et al.*, No. 18-cv-1599.

The Private Securities Litigation Reform Act of 1995 permits any investor who purchased DXC common stock during the Class Period to seek appointment as lead plaintiff. A lead plaintiff acts on behalf of all other class members in directing the litigation. The lead plaintiff can select a law firm of its choice. An investor's ability to share in any potential future recovery is not dependent upon serving as lead plaintiff. If you wish to serve as lead plaintiff, you must move the Court no later than 60 days from today. If you wish to discuss this action or have any questions concerning this notice or your rights or interests, please contact plaintiff's counsel, Darren Robbins of Robbins Geller at 800/449-4900 or 619/231-1058, or via e-mail at djr@rgrdlaw.com. You can view a copy of the complaint as filed at http://www.rgrdlaw.com/cases/dxctechnology/.

The complaint charges DXC and certain of its officers with violations of the Securities Exchange Act of 1934. DXC purports to be a leader in the information technology ("IT") services space, focusing on helping clients decrease IT infrastructure costs and advance to digital technology.

The complaint alleges that, during the Class Period, defendants made false and misleading statements and/or failed to disclose adverse information regarding the Company's business and prospects. Specifically, defendants failed to disclose that the Company had changed or planned to change the operations of its sales teams, deploying generalized sales teams as opposed to the specialized teams that were better capable of delivering specialized services to its clients; that the Company's workforce optimization strategy of sharply reducing staff while reducing costs was resulting in a shortage of sales personnel who could execute on demand for services, thereby risking and ultimately losing sales and revenue opportunities; and that, as a consequence, the Company's revenue and financial performance guidance for fiscal 2019 was without a reasonable basis. As a result of defendants' material misrepresentations and omissions, DXC's stock traded at artificially inflated prices, reaching a Class Period high of more than $96.00 per share, and the individual defendants were able to sell a total of 215,549 shares of their DXC stock for proceeds of more than $19.8 million at artificially inflated prices.

On October 24, 2018, *The Register* published an exclusive article titled "DXC axes Americas boss amid latest deck chair musical." The article discussed the early October 2018 surprise firing of the head of the Company's Americas sales force due to a sharp decline in the region's revenue and, specifically, a reported 10%-15% revenue shortfall. On this disclosure,

the Company's stock price fell 16%.

Later the same day, the Company filed a Form 8-K with the SEC in response to the news of the firing, which reiterated the Company's fiscal 2019 earnings per share guidance.

Then on November 6, 2018, the Company reported its second quarter 2019 financial results in a press release, providing specific revenue, pre-tax earnings and gross margin results for the quarter. On the same day, during a conference call for investors, the Company also disclosed that it had lost sales to significant customers, that quarterly revenues would fall short of expectations by hundreds of millions of dollars, and that the Company would reduce its fiscal 2019 revenue outlook by $800 million. During the conference call, defendants also revealed that customers were scaling back upgrades in some instances, that the digital space was not growing at the previously reported rates, and that the Company had changed its sales approach for two quarters and that the approach had been reversed because it was not working. On the November 6, 2018 disclosures, the price of DXC stock declined 13%, from a close of $72.21 per share on November 6, 2018 to a close of $63.21 per share on November 7, 2018.

Plaintiff seeks to recover damages on behalf of all purchasers of DXC common stock during the Class Period (the "Class"). The plaintiff is represented by Robbins Geller, which has extensive experience in prosecuting investor class actions including actions involving financial fraud.

Robbins Geller is one of the world's leading law firms representing investors in securities litigation. With 200 lawyers in 10 offices, Robbins Geller has obtained many of the largest securities class action recoveries in history. For five consecutive years, ISS Securities Class Action Services has ranked the Firm in its annual SCAS Top 50 Report as one of the top law firms in both amount recovered for shareholders and total number of class action settlements. Robbins Geller attorneys have helped shape the securities laws and recovered tens of billions of dollars on behalf of aggrieved victims. Beyond securing financial recoveries for defrauded investors, Robbins Geller also specializes in implementing corporate governance reforms, helping to improve the financial markets for investors worldwide. Please visit http://www.rgrdlaw.com for more information.

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Eight @rgrdlaw partners were selected as Leading Lawyers in America for 2019 by Lawdragon, including Darren Robbins, Paul Geller, Samuel Rudman, Spencer Burkholz, Daniel Drosman, Shawn Williams, Randall Baron and Rachel Jensen. bit.ly/2SkoyTp

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